To Our Shareholders

Materials for the 1st Ordinary General Meeting of Shareholders

Among the matters for electronic provision measures, matters not stated in documents to be delivered by request for document delivery based on laws and regulations and the Articles of Incorporation

- **Consolidated Financial Statements**
  "Notes to Consolidated Financial Statements"

- **Non-consolidated Financial Statements**
  "Notes to Non-consolidated Financial Statements"

1st Fiscal Year (April 1, 2023 to March 31, 2024)

NISSO HOLDINGS Co., Ltd.

Pursuant to laws and regulations and the provisions of Article 14 of NISSO HOLDINGS' Articles of Incorporation, the above matters are not stated in documents to be delivered to shareholders who have requested document delivery.
In addition, at the General Meeting of Shareholders, regardless of whether or not there is a request for document delivery, a document stating that the above matters are excluded from the matters for electronic provision will be sent to shareholders uniformly.

【Notes to Consolidated Financial Statements】

1. Notes on Significant Basic Items for Preparation of Consolidated Financial Statements

(1) Scope of Consolidation

Although the Company was established on October 2, 2023, the consolidated financial statements for the current consolidated fiscal year have been prepared, including the figures in the quarterly consolidated financial statements for the consolidated cumulative second quarter from April 1, 2023 to September 30, 2023 of NISSO CORPORATION prior to the date of establishment.

① Number of consolidated subsidiaries 7

・Names of consolidated subsidiaries

NISSO CORPORATION
Nisso Nifty Co., Ltd.
Nisso Brain Co., Ltd.
Nisso Pure Co., Ltd.
Vector Shinwa Co., Ltd.
EYE'S Co., Ltd.
Nikon Nisso Prime Corporation

② Change in scope of consolidation

From the current consolidated fiscal year (hereinafter, the "consolidated fiscal year under review"), EYE'S Co., Ltd. has been included in the scope of consolidation. This was included in the scope of consolidation due to the acquisition of 100% of the outstanding shares (issued shares) of EYE'S Co., Ltd. during the consolidated fiscal year under review.

③ Names of non-consolidated subsidiaries

Not applicable.

(2) Application of Equity Method

① Number of affiliated companies accounted for by the equity method 2

・Name of companies

SHANGHAI NISSO HUMAN RESOURCES Co., Ltd.
Leaf Nxt Inc

② Non-consolidated subsidiaries and affiliated companies not accounted for by equity method

Not applicable.

③ Special notes on equity method application procedures

For equity method affiliates whose closing date differs from the consolidated closing date, the financial statements prepared based on the financial statements of each company's fiscal year or provisional financial statements based on the most recent quarterly financial results are used.

(3) Fiscal Year of Consolidated Subsidiaries

From the consolidated fiscal year under review, Vector Shinwa Co., Ltd. has changed its closing date (fiscal year-end) from February 28 to March 31.

Due to the change in the closing date, the 13-month period from March 1, 2023 to March 31, 2024 of Vector Shinwa Co., Ltd. has been consolidated in the preparation of the consolidated financial statements, and significant transactions that occurred during the period of the change in the closing date were adjusted as necessary for consolidation.

Furthermore, due to the change in the closing date of Vector Shinwa Co., Ltd., the last day of the fiscal year of all consolidated subsidiaries now coincides with the consolidated closing date.

(4) Significant Accounting Policies

① Criteria and methods of valuation of significant assets

Other securities

・Shares, etc., without market price

Stated at cost using the moving average method.

② Depreciation method for significant depreciable assets

A Property, plant and equipment (excluding leased assets)

The declining balance method is used. However, for buildings (excluding attached facilities) that were acquired after April 1, 1998, as well as attached facilities and structures acquired after April 1, 2016, the straight-line method is used.

In addition, the service life of significant assets is as follows:

Buildings and structures 3~50 years

B Intangible assets (excluding leased assets)

The straight-line method is used.

In addition, software for in-house use is based on the estimated period of internal use (5 years).

C Leased assets

Leased assets related to finance lease transactions without transfer of ownership are depreciated over the lease period by using the straight-line method, assuming that the residual value is zero.

③ Criteria for recording material reserves

A Allowance for doubtful accounts

In order to provide for losses due to bad debts, the estimated amount of uncollectable debts is recorded for general receivables based on actual bad debt ratios, and by individually reviewing the collectability for specific receivables including doubtful accounts receivable.

B Provision for bonuses

In order to provide for the payment of bonuses to employees, the burden amount in the consolidated fiscal year under review of the estimated amount of payment is recorded.

C Provision for shareholder benefit program

In order to prepare for expenses under the shareholder benefits program, the Company has recorded an amount that is expected to be incurred in the following consolidated fiscal year and thereafter.

④ Accounting methods for defined (retirement) benefits

A Period attribution method of estimated retirement benefit amount

For the calculation of retirement benefit obligations, the method of attributing the estimated retirement benefit amount to the period up to the end of the consolidated fiscal year under review is based on a straight-line basis.

B Method of processing expenses of actuarial differences

Actuarial differences are amortized by the straight-line method over a fixed period within the average remaining service years for employees (9 years) at the time of recognition, and are allocated proportionately from the consolidated fiscal year following the respective consolidated fiscal year of recognition.

In addition, if pension assets that were recognized in the consolidated fiscal year under review exceeded the retirement benefit obligations, they are recorded as net defined (retirement) benefit assets under investment and other assets.

C Use of simplified method for small-scale enterprises

In some retirement benefit plans, the simplified method is applied to net defined (retirement) benefit liabilities and retirement benefit expenses.

⑤ Criteria for recording revenues and expenses

The following information provides the basis for an understanding of the Nisso Group's (hereinafter, the "Group") revenue arising from contracts with clients, including the main business performance obligations of the major businesses and the time at which such performance obligations are satisfied (the normal time at which revenue is recognized).

A General Human Resources Services Business

The Group is mainly engaged in manufacturing dispatching and manufacturing contracting.

In manufacturing dispatching, the Group has concluded worker dispatching contracts between the Group and manufacturers of automobiles, electronic devices, precision・electrical machinery, and provide services to dispatch workers who have concluded employment contracts with the Group to manufacturers. In addition, in manufacturing contracting, the Group has concluded contracting agreements with manufacturers, and in response to orders from manufacturers, the Group provides services to deliver finished products (results) by carrying out manufacturing processing, inspections, etc., under the Group's own management system. These services are mainly routine or repetitive services and are considered to be performance obligations that are to be fulfilled over a certain period of time, since clients are expected to benefit from the services as the Group fulfills its obligations under its contracts with them.

The consideration for manufacturing dispatching transactions is mainly hourly billing as consideration for labor, while consideration for manufacturing contracting transactions is mainly volume billing as consideration for deliverables. In addition, consideration for transactions is billed on a monthly basis and is received within approximately 3 months after the billing.

Since the Group is considered to have the right to receive from the client the amount of consideration that directly corresponds to the value to the client for the portion of performance that the Group has completed to date, revenue is recognized in amounts that the Group has the right to claim. In addition, consideration paid to clients, such as rental fees incurred by the Group for the provision of services, is reduced from revenues.

B　Nursing Care・Welfare Services

The Group is mainly engaged in facility nursing care.

In facility nursing care, the Group operates fee-based nursing homes with long-term care, and provides nursing care services to residents after concluding a move-in agreement between the residents and the Group. These services are routine or repetitive services and are considered to be performance obligations that are to be fulfilled over a certain period of time, since clients are expected to benefit from the services as the Group fulfills its obligations under its contracts with them.

The consideration for facility nursing care transactions is the lump-sum payment received before prospective residents move in and the monthly usage fee received after residents move in. Revenue is recognized over a period of time, primarily based on the percentage of the period of residence in which services are expected to be provided to the elapsed period to date.

⑥　Amortization method and amortization period of goodwill

Goodwill is amortized using the straight-line method over a period of 10 years.

(5)　Significant Accounting Estimates

Impairment of non-current assets

①　Amounts recorded in consolidated financial statements for the consolidated fiscal year under review

(General Human Resources Services Business)

Property, plant and equipment　4,900 Million yen

②　Other information that contributes to the understanding of users of consolidated financial statements

A　Calculation method

The Group recognized impairment losses on certain asset groups related to property, plant and equipment used for the General Human Resources Services Business, based on the judgement that there were signs of impairment due to continued negative profits and losses arising from operating activities or a significant decrease in the market value of real estate. No impairment loss was recognized as undiscounted future cash flows from the asset group exceed its book value.

Undiscounted future cash flows are based on budgets approved by the Board of Directors.

B　Key assumptions

The key assumptions used to calculate future cash flows are the number of people in operation and the billing unit cost, which are the basis of net sales in the budget. Both the number of people in operation and the billing unit cost are calculated by adding forecasts based on client trends to past actual values. The growth rate from the following fiscal year onwards is estimated to be zero.

③　Impact on consolidated financial statements for the next consolidated fiscal year

An impairment loss may occur if the number of people in operation and the billing unit cost under key assumptions decrease to a certain extent.

2. Notes to Consolidated Balance Sheet

(1) Assets Pledged as Collateral and Collateral for Debts

① Assets pledged as collateral

Buildings and structures	983 Million yen
Land	1,518 Million yen
"Other" item of Intangible assets (Subleasing rights)	1 Million yen
Total	2,502 Million yen

② Collateral for debts

Current portion of long-term loans payable	390 Million yen
Long-term loans payable	1,327 Million yen
Total	1,718 Million yen

(2) Accumulated Depreciation on Assets

Accumulated depreciation of property, plant and equipment	4,186 Million yen

(3) Discounts on Notes Receivable and Electronically Recorded Monetary Claims

Discounts on notes receivable	10 Million yen
Discounts on electronically recorded monetary claims	283 Million yen

(4) The Company has concluded overdraft and commitment line agreements with 4 banks for the purpose of efficient procurement of operating capital. The outstanding balance related to overdraft and loan commitments as of the end of the consolidated fiscal year under review, for these agreements are as follows:

Limits of account overdraft and total amount of loan commitments	5,200 Million yen
Outstanding borrowing balance	-
Balance	5,200 Million yen

3. Notes to Consolidated Statement of Changes in Equity

(1) Type and total number of shares outstanding at the end of the consolidated fiscal year under review

Common stock	34,024,720 Shares

(2) Matters Concerning Dividends of Surplus

① Dividend payment amount, etc.

Since the Company is a holding company established on October 2, 2023 through a single share transfer, the amount of dividends paid is the amount resolved at the Ordinary General Meeting of Shareholders of the following wholly owned subsidiary.

Resolution	Type of Shares	Total Amount of Dividends (Million yen)	Dividend Per Share (Yen)	Record Date	Effective Date
June 28, 2023 Ordinary General Meeting of Shareholders	Common Stock (NISSO CORPORATION)	544	16.00	March 31, 2023	June 29, 2023

② Dividends with a record date within the consolidated fiscal year under review but an effective date within the subsequent consolidated fiscal year

Expected Resolution	Type of Shares	Source of Dividends	Total Amount of Dividends (Million yen)	Dividend Per Share (Yen)	Record Date	Effective Date
June 26, 2024 Ordinary General Meeting of Shareholders	Common Stock	Retained Earnings	671	20.50	March 31, 2024	June 27, 2024

(3) Type and number of shares subject to share acquisition rights as of the end of the consolidated fiscal year under review

Not applicable.

4. Notes to Financial Instruments

(1) Status of Financial Instruments

① Policy on financial instruments

Essential funds are primarily procured through bank loans and loan commitments. In addition, regarding the temporary management of surplus funds, it is a policy of the Company to operate them on a large-scale basis at banks on the premise of the necessary funds in accordance with the Company's short- and medium-term financial plans.

② Details of financial instruments and risks related to such financial instruments

Notes receivable (trade) and accounts receivable (trade), which are operating receivables, are exposed to credit risks derived from clients. Investment securities are shares of unlisted affiliated companies and shares of companies with which the Company has a business relationship with.

Accrued expenses, which are operating debt, are mainly employee wages and social insurance premiums, etc. Loans payable (borrowings) are mainly financing related to business transactions and are exposed to liquidity risk.

③ Risk management system for financial instruments

A Management of credit risks (risks of clients' non-fulfillment of a contractual obligations)

In accordance with the Credit Management Regulations, due dates and balances for each business partner with respect to notes receivable (trade) and accounts receivable (trade) have been managed, and the credit situation of major business partners have been ascertained on a regular basis, or once every year. Moreover, the Company has continued to strive to ascertain and alleviate recovery concerns due to the worsening of financial situations at an early stage.

B Management of liquidity risks related to funding (risks involving the inability to make payments on the due date)

Based on reports submitted from each division/department, the division in charge of finance prepares and updates cash flow/financing plans in a timely manner, and manages liquidity risks by maintaining liquidity on hand, etc.

(2) Matters Concerning the Market Value, etc., of Financial Instruments

The amounts that are recorded in the consolidated balance sheet, the market values and the differences between the two are as follows. Shares, etc. without a market price are not included in the following table (see (※2)).

	Consolidated Balance Sheet Amount	Market Value	Difference
Long-term loans payable (including current portion)	2,063 Million yen	2,048 Million yen	(14) Million yen
Liabilities total	2,063	2,048	(14)

(※1) "Cash and deposits", "notes and accounts receivable (trade)", "accrued expenses", "income taxes payable", and "accrued consumption taxes" are omitted because they are in cash and since they are settled in a short period of time, their market value approximates the book value.

(※2) The amounts recorded on the consolidated balance sheet for shares, etc., without market prices are as follows:

Classification	Consolidated Balance Sheet Amount
Shares of subsidiaries and associates	75 Million yen
Unlisted stock	485

(Note) 1. Expected redemption amounts after the consolidated closing date of monetary claims

	Within 1 Year (Million yen)
Cash and deposits	9,641
Notes and accounts receivable - trade	11,238
Total	20,879

(Note) 2. Expected redemption amounts after consolidated closing date of long-term loans payable

	Within 1 Year (Million yen)	Over 1 Year and Within 2 Years (Million yen)	Over 2 Years and Within 3 Years (Million yen)	Over 3 Years and Within 4 Years (Million yen)	Over 4 Years and Within 5 Years (Million yen)	Over 5 Years (Million yen)
Long-term loans payable	512	505	488	290	266	0

(3) Matters Concerning Breakdown, etc., of the Market Value of Financial Instruments by Appropriate Classification

The market value of financial instruments is classified into the following 3 levels according to the observability and importance of the inputs used to calculate the market value.

Level 1 Market Value: Market value calculated at the (unadjusted) market price in an active market of the same asset or liability.

Level 2 Market Value: Market value calculated using directly or indirectly observable inputs other than Level 1 inputs.

Level 3 Market Value: Market value calculated using significant non-observable inputs.

When multiple inputs that have a significant impact on the calculation of market value are used, the market value is classified into the level with the lowest priority in the calculation of market value among the levels to which each input belongs.

① Financial assets and liabilities recorded on the consolidated balance sheet at market value

Not applicable.

② Financial assets and liabilities not recorded on the consolidated balance sheet at market value

Classification	Market Value			
	Level 1	Level 2	Level 3	Total
Long-term loans payable (including current portion)	- Million yen	2,048 Million yen	- Million yen	2,048 Million yen
Liabilities total	-	2,048	-	2,048

(Note) Explanation of valuation techniques used to for the calculation of market value and inputs related to the calculation of market value

Long-term loans payable (including current portion)

Calculated using the discounted present value method based on the total amount of principal and interest, the remaining period of the debt and the interest rate taking into account credit risk, and classified as a level 2 market value.

5. Notes on Real Estate for Rent, etc.

Description is omitted due to the insignificance of the total amount of real estate for rent. etc.

6. Notes on Revenue Recognition

(1) Information on the Breakdown of Revenue Generated from Client Contracts

Automobiles Electronic devices Precision・electrical machinery Other	41,616 Million yen 27,126 11,428 16,687
Revenue generated from client contracts	96,858
Other revenue	-
Net sales to external clients	96,858

(2) Fundamental Information to Understand Revenue Generated from Client Contracts

Fundamental information for understanding revenue is as described in "1. Notes on Significant Basic Items for Preparation of Consolidated Financial Statements (4) Significant Accounting Policies ⑤ Criteria for recording revenues and expenses".

(3) Information on the Relationship between the Fulfillment of Performance Obligations under Contracts with Clients and Cash Flows Arising from Such Contracts, and the Amount and Timing of Revenue Expected to be Recognized from Contracts with Clients Existing in the Consolidated Fiscal Year under Review to the Following Consolidated Fiscal Year or Later

① Balance of contract liabilities, etc.

The beginning and end balances of contract liabilities, etc., arising from client contracts are as follows:

	Consolidated Fiscal Year under Review	
	Balance at Beginning of Period	Balance at End of Period
Receivables arising from client contracts	10,986 Million yen	11,238 Million yen
Contract liabilities	245	212

Contract liabilities are primarily related to lump-sum payments received from customers prior to move-in under the facility nursing care occupancy contract, and are withdrawn upon recognition of revenue over the period residence in which services are expected to be provided.

The amount of revenue recognized in the consolidated fiscal year under review which was included in the balance of contract liabilities at the beginning of the period was 92 million yen. There were no significant changes in the balance of contract liabilities in the consolidated fiscal year under review. In addition, the amount of revenue recognized in the consolidated fiscal year under review is not significant due to performance obligations that were satisfied (or partially satisfied) in the past period.

② Transaction price allocated to remaining performance obligations

The total transaction price allocated to remaining performance obligations and the period during which revenue is expected to be recognized are as follows:

	Consolidated Fiscal Year under Review
Within 1 Year	80 Million yen
Over 1 Year and Within 2 Years	61
Over 2 Years and Within 3 Years	42
Over 3 Years and Within 4 Years	23
Over 4 Years	4
Total	212

The Group applies practical expedients when noting transaction prices allocated to remaining obligations. Mainly, in worker dispatching contracts for manufacturing dispatching and contracting agreements for manufacturing contracting, the scope of the note does not include performance obligations that are part of a contract with an initial expected contract period of 1 year or less, and performance obligations that recognize revenue in the amount entitled to claim under the contract.

As a result, the total transaction price allocated to the remaining performance obligations is mainly related to the lump-sum payment received from the customer prior to move-in under the facility nursing care occupancy contract, and is allocated over the period of residence during which services are expected to be provided. In addition, the amount of consideration received from the contract with the customer does not include the amount of significant variable consideration, etc., which is not included in the transaction price.

7. Notes on Per Share Information

Net assets per share amount	467.99 Yen
Net income per share	57.85 Yen

8. Notes on Significant Subsequent Events

(Conversion to an Equity-method Affiliate through Acquisition of Shares)

The Company resolved to conclude a capital and business alliance agreement (hereinafter, the "Capital and Business Alliance Agreement") with TSUNAGU GROUP HOLDINGS Inc. (hereinafter, the "TSUNAGU GROUP") and to make the TSUNAGU GROUP an equity-method affiliate of the Company through the acquisition of shares of the TSUNAGU GROUP, at the Board of Directors meeting held on May 17, 2024.

In addition to concluding the Capital and Business Alliance Agreement, on the same date, the Company also concluded a share transfer agreement with Mitsuhiro Yoneda, Yoneda Jimusho Co., Ltd., and Tokihisa Kamibayashi, shareholders of the TSUNAGU GROUP, to acquire their shares.

(1) Purpose of Acquisition of Shares

NISSO CORPORATION, a consolidated subsidiary of the Company, and the TSUNAGU GROUP are collaborating through a joint investment in Leaf Nxt Inc., and have begun initiatives that leverage the strengths of both parties.

The TSUNAGU GROUP is a company that aims to solve the recruitment issues of its clients by providing consulting and high-quality solutions for each client's recruitment issues, and the Company believes that these initiatives have a high affinity with the Group's mission of "Creating opportunities and hopes for people to work".

The Company has decided to conclude the Capital and Business Alliance Agreement based on the judgment that by further integrating and developing the strengths of both companies, including their respective client bases as well as the business expertise they have accumulated over the years, it will be possible to provide high-quality services that can solve the challenges of responding to the diversifying human resources needs of Japanese companies.

(2) Overview of the Company Whose Shares Were Acquired

① Company name : TSUNAGU GROUP HOLDINGS Inc.
② Description of business : Group management strategy formulation, business management and related operations
③ Capital : 701 Million JPY

(3) Timing of Acquisition of Shares

May 17, 2024

(4) Number of Shares Acquired and Equity Ratio after Acquisition

① Number of shares acquired : 1,560,899 shares
② Acquisition price : 1,463 Million JPY
③ Equity ratio after acquisition : 18.13%

(5) Procurement of Payment Funds and Payment Method

Payment was made in cash using the Company's own funds.

(6) Other

In the Capital and Business Alliance Agreement, the Company and the TSUNAGU GROUP have agreed on the dispatching of corporate officers from the Company to the TSUNAGU GROUP. Based on this agreement, the TSUNAGU GROUP plans to submit a proposal for the election of Directors at its 18th Ordinary General Meeting of Shareholders scheduled to be held in December 2024, including 1 person nominated by the Company as a candidate for Director.

Notes to Non-consolidated Financial Statements

1. Significant Accounting Policies

(1) Criteria and Methods of Valuation of Significant Securities

① Shares of affiliated companies

Stated at cost using the moving average method.

② Other securities

Shares, etc., without market price

Stated at cost using the moving average method.

(2) Depreciation Methods of Non-current Assets

① Property, plant and equipment (excluding leased assets)

The declining balance method is used. However, for buildings (excluding attached facilities) that were acquired after April 1, 1998, as well as attached facilities and structures acquired after April 1, 2016, the straight-line method is used.

② Intangible assets (excluding leased assets)

The straight-line method is used.

In addition, software for in-house use is based on the estimated period of internal use (5 years).

(3) Criteria for Recording Allowances

① Provision for shareholder benefit program

In order to prepare for expenses under the shareholder benefits program, the Company has recorded an amount that is expected to be incurred in the following fiscal year and thereafter.

(4) Criteria for Recording Revenues and Expenses

The Company's revenue consists of management fees and dividends received from subsidiaries.

The following information provides the basis for an understanding of the Company's revenue arising from contracts with clients (subsidiaries), including the main business performance obligations of the major businesses and the time at which such performance obligations are satisfied (the normal time at which revenue is recognized).

As a holding company, the Company is engaged in the business management of its subsidiaries and other incidental operations. These are primarily routine or repetitive services, and are considered to be performance obligations that will be satisfied over a certain period of time, since the Company believes that its clients will benefit as it fulfills its obligations under the contracts with them.

The consideration for business management transactions is calculated by adding a certain percentage to the expenses incurred by the Company for the provision of services, and is billed on a monthly basis and received within approximately one month after the request. The Company recognizes revenue in the amount it is entitled to claim because the Company believes that it is entitled to receive from its client an amount of consideration that directly corresponds to the value to the client for the portion of its performance that it has fulfilled to date.

In addition, dividends received are recorded on the effective date.

2. Notes to Balance Sheet

(1) Accumulated Depreciation on Assets

Accumulated depreciation of property, plant and equipment	0 Million yen

(2) Monetary claims or monetary obligations to affiliated companies

① Short-term monetary claims	5,827 Million yen
② Long-term monetary claims	488 Million yen
③ Short-term monetary obligations	28 Million yen

(3) The Company has concluded overdraft and commitment line agreements with 4 banks for the purpose of efficient procurement of operating capital. The outstanding balance related to overdraft and loan commitments as of the end of the fiscal year under review, for these agreements are as follows:

Limits of account overdraft and total amount of commitments	5,200 Million yen
Outstanding borrowing balance	—
Balance	5,200 Million yen

3. Notes to Statement of Income

Transaction volume with affiliated companies

Sales transactions	1,432 Million yen
Transactions other than sales transactions	6,312 Million yen

(Note) Includes 6,300 million yen in sales of shares of affiliated companies.

4. Notes to Statement of Changes in Equity

Type and number of treasury shares at the end of the fiscal year under review

Common stock	1,260,745 Shares

5. Notes to Tax Effect Accounting

Breakdown by main factors of occurrence of deferred tax assets and deferred tax liabilities

Deferred tax assets	
Accrued enterprise tax	7 Million yen
Loss on valuation of shares of subsidiaries and associates	95 Million yen
Loss on valuation of investment securities	91 Million yen
Other	4 Million yen
Subtotal of deferred tax assets	199 Million yen
Valuation allowance	(187) Million yen
Total deferred tax assets	12 Million yen

6. Notes on Transactions with Related Parties

(1) Subsidiaries and Affiliated Companies

Type	Name of Company	Location	Capital stock or investments in capital (Million yen)	Business Contents	Voting rights ownership ratio (held)	Relationship with related parties	Transaction content	Transaction amount (Million yen)	Item	Balance at end of period (Million yen)
Subsidiary	NISSO CORPORATION	Yokohama, Kanagawa	100	Manufacturing-related human resources services business	Owner-ship Direct 100%	Concurrent posting of officers, loan of funds, business management	Loan of funds	6,500	Short-term loans receivable	5,500
							Collection of loans	1,000		
							Receipt of interest (Note 1)	11	Other of current assets (accrued income)	3
							Business management fee (Note 2)	558	Accounts receivable - trade	211
							Payment of secondment fees	146	Accounts payable – other	24
							Sale of shares (Note 3)	6,300	–	–
							Gain on sale of shares (Note 3)	130	–	–
							Debt assumption (Note 4)	2,182	–	–
							Acceptance of collateral (Note 5)	2,502	–	–
Subsidiary	Nisso Nifty Co., Ltd.	Yokohama, Kanagawa	450	Nursing care · welfare businesses	Owner-ship Direct 100%	Concurrent posting of officers, loan of funds, business management	Loan of funds	80	Short-term loans receivable	110
							Collection of loans	35	Long-term loans receivable	488
							Receipt of interest (Note 1)	1	Other of current assets (accrued income)	0
							Business management fee (Note 2)	3	Accounts receivable - trade	1

(Note 1) The interest rate is determined rationally, taking into account the market interest rate.

(Note 2) The business management fee is determined rationally based on the contract between the parties, taking into account the content of the business.

(Note 3) The sale of shares represents the sale of a portion of the shares of NISSO CORPORATION held by the Company in a relative transaction, and the sale price is determined rationally after consultation based on net assets.

(Note 4) The Company undertakes borrowings/loans from financial institutions through the exemption of debt assumptions.

(Note 5) The Company has received collateral for certain assets for borrowings/loans from financial institutions.

7. Notes on Revenue Recognition

The information that provides the basis for understanding revenue is as described in "1. Significant Accounting Policies (4) Criteria for Recording Revenues and Expenses ".

8. Notes on Per Share Information

Net assets per share amount	419.83 Yen
Net income per share	23.47 Yen

9. Notes on Significant Subsequent Events

Notes have been omitted since the same content is described in Consolidated Financial Statements "Notes to Consolidated Financial Statements 8. Notes on Significant Subsequent Events".